

# REQUEST FOR INFORMATION INVESTMENTS MANAGEMENT SYSTEM SOFTWARE AND RELATED SERVICES

## **Introduction and Purpose**

The Maryland State Retirement Agency (the “Agency”) is distributing this Request For Information (“RFI”) to software firms wishing to provide the Maryland State Retirement and Pension System (the “System”) with interactive software which provides centralized fund relationship management, work flow management, data capture and manipulation, and document access and retention with respect to the System’s public and private investments (the “Investments Management System”) and related services. In distributing this RFI, the Agency is not seeking to develop customized investment software.

It is the Agency’s intention to choose a firm from this process to provide an Investments Management System and related services for the Agency. However, the Agency may determine not to choose any firm to provide the services described in this RFI. If a firm is selected, the term of the contract would likely extend for a 5-year period, with the option for two (2) successive one (1) year renewal periods. Exercise of the renewal options will be at the sole discretion of the Agency.

The Board of Trustees for the System manages a diversified investment portfolio valued at approximately \$44.2 billion as of December 31, 2015, for the exclusive benefit of participants of the several retirement and pension systems for state employees, teachers and employees of participating municipalities. The Investment Division currently employs approximately 20 investment professionals. This number is likely to increase during the term of the proposed contract. The System’s asset allocation is available on the Agency’s website.

<http://www.sra.state.md.us/Agency/Investment/Downloads/Default.aspx>

Further information regarding the System is set forth in the System’s Comprehensive Annual Financial Report, a copy of which is available on the Agency’s website,

<http://www.sra.state.md.us/Agency/Downloads/CAFR/Default.aspx>.

## **Timeline and Submission Details**

| Date                     | Action  |
|--------------------------|---|
| 3/23/2016                | RFI is issued.  |
| 4/6/2016<br>(4:00 P.M.)  | Due date for questions relating to the RFI. All questions relating to the RFI must be submitted via e-mail to <a href="mailto:investCRM@sra.state.md.us">investCRM@sra.state.md.us</a>  |
| 4/15/2016                | Answers to questions will be posted to the Agency’s website <a href="http://www.sra.state.md.us">www.sra.state.md.us</a>  |
| 4/25/2016<br>(4:00 P.M.) | Responses to RFI must be submitted in hard copy (address below) <b>and</b> electronic copy to <a href="mailto:investCRM@sra.state.md.us">investCRM@sra.state.md.us</a> . Please note that the electronic submission <b>should not</b> contain a fee schedule. |

Staff will review submissions and contact those firms, if any, from which it desires additional information.

If your firm wishes to respond to this RFI, please return five (5) hard copies and one electronic copy of the firm’s response to the attached questionnaire (including the attached Bid/Proposal Affidavit) by 4:00 pm EST, April 25, 2016 to the address written below. Firms that respond to the RFI by submitting a proposal to provide the requested services will be referenced in this RFI as “Offerors”. The term

“Contractor”, as used in this RFI, refers to the Offeror who enters into a contract with the System pursuant to this RFI. Please note that only one copy of the fee schedule is required and should be sent in a separately marked envelope marked “**Investments Management System**”. Do not include the fee schedule with the (5) five hard copies or the electronic copy. Commingling the fee schedule with these submissions may disqualify the Offeror.

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On the submission’s cover page, please provide the firm’s name, primary contact person’s name, phone and fax numbers, email address and mailing address.

Responding firms should give specific attention to the clear identification of those portions of its submission that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the System under the Maryland Public Information Act, Section 4-101 to 4-601 of the General Provisions Article of the Annotated Code of Maryland. A blanket statement declaring that the entire response is confidential is not sufficient.

All questions relating to the RFI should be submitted via e-mail to investCRM@sra.state.md.us. Firms should not contact the System’s Chief Investment Officer, Investment Division Staff, Board of Trustees, System’s consultants or other Agency personnel to gain additional information regarding this RFI. Attempting to do so may result in the firm’s disqualification.

Please note that the System will not be liable for any costs incurred with responding to this RFI. Also, the Agency reserves the right to evaluate submissions in its discretion. The Agency may decide to cancel the RFI at any time and reissue this or a similar request at a later date.

As part of the Questionnaire review process, the Agency has requested copies of the Offeror’s standard form of service contract and any other underlying agreements necessary to implement the proposed services. Notwithstanding this request, the Agency expects the Contractor to sign the System’s attached form of contract.

**Minority Business Enterprises (MBEs) are encouraged to respond to this RFI. Offerors who consider themselves to be minority contractors are encouraged to obtain certification from the Maryland Department of Transportation. A minimum certified Minority Business Enterprise subcontract participation goal has not been established for this RFI, but certified MBE subcontract participation may be considered in evaluating proposals under certain circumstances. Offerors are encouraged to utilize MBEs for any subcontracting opportunities that may arise. The Agency also encourages Offerors to include socially and economically disadvantaged individuals on the team responding to this solicitation, if applicable.**

## POTENTIAL SCOPE OF SERVICES

The Agency is seeking a firm to supply interactive software to provide centralized fund relationship management, work flow management, data capture and manipulation, and document access and retention in a secure environment with respect to the System's investment division investments. The proposed services would be expected to include the provision of software, installation, implementation, training, on-going support and maintenance as more fully described below. Please note that the Agency is not seeking to develop customized Investments Management System software.

A. **SOFTWARE PROGRAM.** The Agency is seeking an Investments Management System which would allow the System to access, manipulate, analyze and retain information which may include, but shall not be limited to, the following:

### 1. **CRM Requirements**

- Capture and maintain historical records of all manager interactions, meetings, calls, emails and document exchanges
- Ability and flexibility to customize specific fields
- Allow for the information to be shared across users
- Have search capabilities for the documents saved in the system
- Allow contacts and fund information to be edited/updated as necessary
- Allow users to reassign documents to another manager and or workflow
- Allow users to share documents and/or attachments
- Maintain extensive manager profiles and fund data
- Allow users to view individual contacts as well as global contacts
- Allow users to sort contacts based on different criteria defined by the user
- Ability to export data in a format that allows for creating and printing address labels
- Ability to manage the due diligence workflow process
- Provide a customizable workflow schematic for due diligence process tracking and portfolio manager monitoring
- Ability to track and manage opportunities in the investment pipeline

### 2. **Dashboard Requirements**

- Provide for user dashboards with drag and drop options that can be customized by each individual as needed
- Update the dashboard information in real time
- Provide a calendar where deadlines and tasks can be entered and seen by all system users (based on appropriate access level privileges)

### 3. **Reporting**

- Allow for standard and ad hoc reports to be set to automatically run at a frequency set by the report creator
- Ability to produce various reports as a result of a scheduled, periodic basis, an event trigger and/or on request, including, but not limited to: workflow audits, contact lists or fund lists

- Provide multiple formats for report output – example: PDF, Excel, Word
- Allow users to create and customize all predefined reports based on their needs

#### **4. Data Import/Export Requirements**

- Ability to accept input of documents in various formats, including, but not limited to Excel, Word, PDF, etc.
- Ability to generate files for export to other systems in various file formats, including but not limited to Excel, Word, PDF, etc.
- All data changes can be tracked by version history
- Capability to import contact data from Microsoft Outlook
- Import/export capabilities in a format that is compatible with the other systems/programs used by the System.
- Automation of manager reports directly into respective fund folders

#### **5. Forms, Profiles, Templates**

- Ability for the System to create, edit, and delete all types of forms, templates and or workflows based on their needs
- Ability for users to modify content of templates for specific usage and save as “new” (without altering the original template)
- Provide templates that will assist the System users to generate different documents, like but not limited to: investment memos and board reports
- Ability to prefill information on certain forms and/or templates as designated by the System users.

#### **6. Mobile Device Support**

- Provide support for System staff to access on mobile devices

### **B. SOFTWARE INSTALLATION, IMPLEMENTATION AND TRAINING**

- Ensure that the software integrates with and operates properly in the Agency’s environment
- Provide implementation services according to a mutually agreed upon workplan
- Provide a data migration plan inclusive of requirements, design, test plan, test scripts, data cleansing and integration.
- Provide hands-on on-site training including training materials, reference guides and operations manuals
- Provide web-based self-paced training
- Provide transition services to subsequent vendor if/when the contract expires or is terminated.

**C. ONGOING SUPPORT AND MAINTENANCE**

- Product updates and enhancements for technology advancements, improved functionality and compatibility with new industry standards and industry IT protocols.
- Provide direct access of experienced consultants of the software
- Provide on-going prompt post-implementation support via telephone and electronic mail during normal business hours
- Provide timely problem resolution of reported concerns
- Provide online self-help functions
- Provide periodic updates to training materials, reference guides and operations manuals
- Provide ongoing web-based self-paced training
- Provide period on-site training to inform the Agency of software enhancements and to refresh users on initial training concepts

**D. SOC 2 TYPE II AUDIT REPORT**

- Provide an annual audit performed by an independent audit firm in accordance with in accordance with audit guidance: Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC 2) as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly-recognized professional organization, as agreed to by the System.

## **ATTACHMENT 1**

### **INVESTMENTS MANAGEMENT SYSTEM SOFTWARE AND RELATED SERVICES**

#### **QUESTIONNAIRE**

If the firm is offering its services jointly with another firm or firms, please so indicate, and provide the information requested for all parties.

#### **A. ORGANIZATIONAL BACKGROUND**

1. Provide the following information with respect to the firm:
  - a. A brief history of the firm, including its year of organization, the ownership structure of the firm, including any parent, affiliated companies or joint venture, the percentage owned by current employees; and a list of the owners of at least 5% of the firm including individuals and all other entities.
  - b. The location of the firm's headquarters and any branch offices.
2. Describe any significant developments in the firm that have occurred since January 1, 2011 (changes in ownership, personnel reorganization, etc.).
3. Describe any anticipated changes in the firm's basic ownership structure or any other significant changes in the organization.
4. How many years has the firm been providing investment software services to investors? Please list each type of service and its inception date.
5. Does the firm provide services other than investment software services to any clients? If so, please list each type of service, its inception date, and a brief description.
6. Provide a breakdown of the firm's revenues by source of business activity.
7. Since January 1, 2011, has the firm, or any officer or principal been involved in any business litigation, regulatory or other legal proceedings or government investigation involving allegations of fraud, negligence, criminal activity or breach of fiduciary duty? If so, provide a description, explanation, and indicate the current status.
8. How are conflicts of interest managed, disclosed or prevented if the firm or its affiliates provides software services to investment funds?
9. How do you maintain the confidentiality of and protect user data from unauthorized use and disclosure?
10. What controls are in place regarding user verification and account activation/termination.
11. Describe the levels of coverage for errors and omissions insurance and any other fiduciary or professional liability insurance the firm carries including cybersecurity insurance, if any.

List the insurance carriers supplying the coverage, and supply certificates evidencing the coverage.

## **B. DEPTH AND EXPERIENCE OF PERSONNEL**

1. Provide an organizational chart showing titles, functions, years of industry experience, years with the firm, and location of all personnel in the firm providing the proposed services.
2. What is the turnover of staff for the past five years?

## **C. CLIENT COVERAGE AND REFERENCES**

1. What is the composition of the firm's client base, including non-investor clients? Provide the number and percentage of clients for the client types listed below. If the firm's investor client base is heavily weighted toward any particular type of investor, please provide an explanation.

### Client Type

Public Pension Funds

Taft-Hartley Funds

Corporate Pension Funds

Endowments & Foundations

Non-Investors

Other (Specify)

2. Provide a current list of five (5) clients for investment software services similar to those requested by this solicitation, including client name, contact name, telephone number, number of years the client has retained the firm, the types of services provided, countries covered by the provided services, and the client's total assets. This list should include at least three (3) public fund clients whose assets are greater than \$5 billion. The Agency reserves the right to contact any of the clients named to request references.

## **D. SERVICES REQUESTED**

Provide a detailed description of the overall investment software services being offered as follows:

1. Please include a detailed description of the manner in which your firm would provide each of the services outlined in the "Potential Scope of Services". Please provide samples where appropriate.
2. What types of software services do you currently provide to similar plans?
3. If additional analytical resources are provided and made available to clients by the firm, please describe them and provide samples.
4. What Internet-based tools does the firm provide to clients? Please include a description and sample screen prints of any reports of other information that would be available to the System on-line.

5. Please provide the following additional background on your firm's proposed software:
- Number of subscribers
    - Characteristics of subscribers – organization type and geographic location
  - Number of clients
    - Characteristics of clients / geography

## **E. TECHNOLOGY REQUIREMENTS AND SPECIFICATIONS**

Provide a detailed description of the requirements necessary to successfully operate the proposed software, including but not limited to:

1. Internal Support Requirements
  - Owner
  - Manager
  - Administrator
  - Functional experts
2. Internal vs. External Hosting
  - If internally hosted, detail the specific requirements for hardware, operating systems, and database management systems. Also, describe whether the application can run in a virtualized server environment.
  - If externally hosted, provide detail on the most recent independent reviews conducted on the application and the hosting environment to assure compliance with accepted IT security standards. Describe the reviews types / testing levels and the names of the entities/individuals conducting the review. Also, provide a general description of the data security protections implemented to ensure that System data are fully protected. Note that all data (including back-ups) must reside in the United States. Detail country locations of administrators or other IT staff who would have logical or physical access to System data.
3. License requirements
  - Number of users
  - Modules
  - Number of investments or relationships?
4. Security
  - System management
  - User rights settings
  - Data encryption
5. System limitations
  - Maximum number of manager relationships



## **F. FEES**

Provide a fee schedule for all services requested and describe how the fees are calculated.

Any contract resulting from this process is likely to extend for a 5-year period with the option for two (2) successive one (1) year renewal periods. Exercise of the renewal options will be at the sole discretion of the Agency. Provide fees for each year of the proposed 5-year term as well as the two optional one-year renewal periods. All fees should be provided in US dollars.

The fee schedule shall provide reasonable detail about the fees proposed to be charged for particular services. Where applicable, fees for specific services based on units of work should indicate the usual anticipated time required to complete the service.

Please note that one copy of the fee schedule should be sent on a separately marked envelope marked “**Investments Management System**”. The electronic submission **should not** contain a fee schedule.

## **G. OTHER**

1. Please provide a copy of the firm’s most recent audited financial statements, and SSAE 16, if applicable. If these are not available, please provide an explanation.
2. Please provide a copy of the firm’s Code of Ethics. Do the firm and its employees comply with the Code of Ethics and Standards of a professional association? If so, which professional association?
3. Please provide a copy of the firm’s standard contract for the services being offered and any other underlying agreements necessary to implement the proposed services.
4. Please sign and submit the attached Bid/Proposal Affidavit along with your Technical Proposal.

## **BID/PROPOSAL AFFIDAVIT**

### **A. AUTHORITY**

I HEREBY AFFIRM THAT:

I, \_\_\_\_\_ (print name), possess the legal authority to make this Affidavit.

### **B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION**

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

#### **B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.**

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

### **C. AFFIRMATION REGARDING BRIBERY CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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### **D. AFFIRMATION REGARDING OTHER CONVICTIONS**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
  - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
  - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

- (5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;
- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract;
- (9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:
- (a) §7201, Attempt to Evade or Defeat Tax;
  - (b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,
  - (c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information,
  - (d) §7206, Fraud and False Statements, or
  - (e) §7207 Fraudulent Returns, Statements, or Other Documents;
- (10) Been convicted of a violation of 18 U.S.C. §286 Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;
- (11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;
- (12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:
- (a) A court:
    - (i) Made the finding; and
    - (ii) Decision became final; or
  - (b) The finding was:
    - (i) Made in a contested case under the Maryland Administrative Procedure Act; and
    - (ii) Not overturned on judicial review;
- (13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review;

(14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure Act; and

(ii) Not overturned on judicial review; or

(15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(14) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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## **E. AFFIRMATION REGARDING DEBARMENT**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and

their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

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#### **F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES**

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

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#### **G. SUB-CONTRACT AFFIRMATION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

#### **H. AFFIRMATION REGARDING COLLUSION**

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

## **I. CERTIFICATION OF TAX PAYMENT**

**I FURTHER AFFIRM THAT:**

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

## **J. CONTINGENT FEES**

**I FURTHER AFFIRM THAT:**

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

## **K. ACKNOWLEDGEMENT**

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Contract Manager and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

**I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.**

Date: \_\_\_\_\_

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

## INVESTMENTS MANAGEMENT SYSTEM SOFTWARE AND RELATED SERVICES CONTRACT

This Investments Management System Software and Related Services Contract (the “Contract”) is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016 by and between the Maryland State Retirement Agency for the benefit of the Board of Trustees for the Maryland State Retirement and Pension System (collectively, the “System”) and [ \_\_\_\_\_ ] (the “Contractor”).

In consideration of the mutual covenants and promises herein contained and other good and valuable consideration, the receipt and sufficient of which is hereby acknowledged, the System and the Contractor agree as follows:

### 1. Scope of Services.

1.1 The Contractor shall provide deliverables, programs, goods, and services specific to the Contract awarded in accordance with Exhibits A-G listed in this section and incorporated as part of this Contract. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

Exhibit A – Scope of Work

Exhibit B – Mandatory Contractual Provisions

Exhibit C – Non-Disclosure Agreement

Exhibit D – Contract Affidavit

Exhibit E – Conflict of Interest Affidavit/Disclosure

Exhibit F– The Proposal (Technical and Financial dated \_\_\_\_ as submitted by the Contractor.

[Exhibit G – Cloud Service Provider’s Terms of Service dated \_\_\_\_\_]

1.2 The Contract Manager, as identified in Section 28, or a successor designated by the System (the “Contract Manager”) may, at any time, by written order, make changes in the work within the general scope of the Contract. No other order, statement or conduct of the Contract Manager or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

1.3 While the Contract Manager may, at any time, by written change order, make unilateral changes in the work within the general scope of the Contract as provided in Section 1.2 above, the Contract may be modified by mutual agreement of the parties, provided: (a) the modification is made in writing; and (b) all parties sign the modification.

1.4 If, as and when the Contractor develops or upgrades systems and technology services, the Contract will provide such systems and technology services to the System at no additional cost.



## **2. Term and Renewal.**

2.1 The term of this Contract begins on the date the Contract is signed by the System. The Contract shall be for a period of approximately five (5) years beginning \_\_\_\_\_ and ending on \_\_\_\_\_.

2.2 Further, this Contract may be extended for two (2) periods of one year each at the sole discretion of the System and at the prices quoted in the Financial Proposal for Option Years. If the first option period is exercised, then the contract will end on \_\_\_\_\_. If the second option is exercised, then the contract will end on \_\_\_\_\_.

2.3 Audit, confidentiality, document retention, and indemnification obligations under this Contract shall survive expiration or termination of the Contract.

## **3. Termination.**

This Contract may be terminated at any time by the System upon written notice to the Contractor of such termination. Any termination of this Contract shall be without payment of any penalty by the System. Upon termination of this Contract, all finished or unfinished work provided by the Contractor shall, at the System's option, become the System's property. The System shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, subject to reduction in accordance with Sections 4.3 and 4.4 of this Contract. Upon termination of this Contract, the Contractor shall cooperate with the System with respect to the transfer of documents and information to the System or its designee. From and after the effective date of termination of this Contract, the Contractor shall not be entitled to compensation for further services hereunder. Upon termination, the Contractor shall forthwith deliver to the Contract Manager, or at the System's direction to the System's subsequent contractor, all data, information and any documents belonging to, or relating to, the System and this Contract then in custody of the Contractor [and the Cloud Service Provider, if any], and otherwise cooperate with the System with respect to the transition and winding down of services.

## **4. Fees and Payment.**

4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the System shall pay the Contractor in accordance with the terms of this Contract and at the prices quoted in its Financial Proposal (**Exhibit F**).

4.2 Payments to the Contractor shall be made no later than thirty (30) days after the System's receipt of a proper invoice for services provided by the Contractor. Each invoice for services rendered must include the Contractor's Federal Tax Identification which is \_\_\_\_\_. Charges for late payment of invoices other than as prescribed at Md. Code Ann., State Finance and Procurement Article, §15-104 as from time-to-time amended, are prohibited. Invoices shall be submitted to the Contract Manager. The System represents and warrants that, as a governmental pension plan within the meaning of Section 414(d) of the Internal Revenue Code, it is tax-exempt.

4.3 In addition to any other available remedies if, in the opinion of the Contract Manager, the Contractor fails to perform in a satisfactory and timely manner, the Contract Manager may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the System pursuant to this Contract.

4.4 The System may deduct from and set off against any amounts due and payable to the Contractor any back-charges, penalties, or damages sustained by the System, by virtue of any breach of the Contract by the Contractor. Nothing herein shall be construed to relieve the Contractor of liability for additional costs resulting from a failure to satisfactorily perform the services.

4.5 Payment of an invoice by the System is not evidence that services were rendered as required under this Contract.

## **5. Rights to Records.**

5.1 The Contractor agrees that any data and work first created or produced by the Contractor for purposes of the Contract, including but not limited to, software, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, and computations shall be the sole property of the System and shall be available to the System at any time.. The System shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.

5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, the works created as a deliverable under this Contract and services performed under this Contract shall be "works made for hire" as that term is interpreted under U.S. copyright law. To the extent that any products created as a deliverable under this Contract are not works for hire for the System, the Contractor hereby relinquishes, transfers, and assigns to the System all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the System in effectuating and registering any necessary assignments.

5.3 The Contractor shall report to the Contract Manager, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.

5.4 The Contractor shall not affix any restrictive markings upon any data, documentation, or other materials provided to the System hereunder and if such markings are affixed, the System shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

5.5 Upon termination of this Contract, the Contractor, at its own expense, shall deliver any data, documents, information, equipment, software or other property provided by the System to the place designated by the Contract Manager.

## **6. Confidentiality.**

6.1 Subject to the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any all data and materials of whatsoever nature furnished to the Contractor by the System for use under this Contract and data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is contemplated by this Contract or necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; or (d) was supplied to such party by a third party lawfully in possession thereof

and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

6.2 In consideration of the Contractor's access to confidential financial information in performing services under the Contract, the Contractor agrees to keep information obtained in the course of this contract confidential. The Contractor agrees further to comply with any applicable State and federal confidentiality requirements regarding collection, maintenance, and use of financial information. This obligation further includes restricting use and disclosure of the records, generally providing safeguards against misuse of information, keeping a record of any disclosures of information, providing all necessary procedural and legal protection for any disclosures of information, promptly responding to any requests by the System for information about its privacy practices in general or with respect to a particular individual, modifying information as may be required by good professional practice as authorized by law, and otherwise providing good information management practices regarding all financial information.

6.3 The Contractor's Non-Disclosure Agreement is included as **Exhibit C** of this Contract and is incorporated herein by this reference.

6.4. The provisions of this Section 6 shall survive termination of this Contract.

## **7. Liability.**

For breach of this Contract, negligence, misrepresentation or any other contract or tort claim, Contractor shall be liable as follows:

7.1 For infringement of patents, trademarks, service marks, trade secrets and copyrights as provided in Section 11 ("Patents, Copyrights, Intellectual Property") of this Contract;

7.2 Without limitation for damages for bodily injury (including death) and damage to real property and tangible personal property;

7.3 Without limitation for breaches of confidentiality, including Section 6 "Confidentiality";

7.4 For all other claims, damages, loss, costs, expenses, suits or actions in any way related to this Contract, regardless of the form. Contractor's liability for third party claims arising under Section 10 of this Contract shall be unlimited if the State is not immune from liability for claims arising under Section 10.

## **8. Indemnification.**

8.1 The Contractor shall hold harmless and indemnify the System from and against any and all losses, damages, claims, suits, actions, liabilities, and/or expenses, including, without limitation, attorneys' fees and disbursements of any character that arose from, are in connection with or are attributable to the performance or nonperformance of the Contractor or its subcontractors under this Contract.

8.2 This indemnification clause shall not be construed to mean that the Contractor shall indemnify the System against liability for any losses, damages, claims, suits, actions, liabilities, and/or expenses that are attributable to the sole negligence of the System or the System's employees.

8.3 The System has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person not party

to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

8.4 The System has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

8.5 The Contractor shall immediately notify the Contract Manager of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from, or relating to, the Contractor's obligations under the Contract and will cooperate, assist, and consult with the System in the defense or investigation of any claim, suit, or action made or filed against the System as a result of, or relating to, the Contractor's performance under this Contract.

8.6 The provisions of this Section 8 shall survive termination of this Contract.

## **9. Intellectual Property Indemnification.**

Contractor expressly agrees to defend, save, hold harmless, and indemnify the System and its officers, directors, employees and agents from any and all third party claims, suits, actions, losses, damages, liabilities, statutory penalties, costs and expenses of any nature whatsoever resulting from, arising out of or relating to any claims that the services or software or use thereof infringe any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other proprietary right (collectively, "Intellectual Property Rights") of any third party. If Contractor believes at any time that the services or software infringe a third party's Intellectual Property Rights, Contractor may upon receipt of System's prior written consent, which the System shall not unreasonably withhold, (i) replace an infringing item with a non-infringing item that meets or exceeds the performance and functionality of the replaced item; or (ii) obtain for System the right to continue to use the infringing item; (iii) modify the infringing item to be non-infringing, provided that, following any replacement or modification made pursuant to the foregoing, the services or software continue to function in conformance with the applicable acceptance criteria set forth in the Contract, and the System may pursue any rights and remedies available to it under this Contract, including termination. Contractor shall not be liable for any claim for infringement based solely on the following:

a) The System's modification of the services or software other than as set forth in this Contract, the services or software or System's specifications, or without the written permission of Contractor;

b) Use of the services or software in a manner other than as contemplated by this Contract, their specifications, or as authorized in writing by Contractor;

c) Use of the services or software in combination, operation, or use of with other products in a manner that does not comply with their specifications, not specified by Contractor or of which Contractor has not approved in writing.

## **10. Loss of Data; Data Storage.**

In the event of loss of any data or records where such loss is due to the intentional act or omission or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data or records in the manner and on the schedule set by the Contract Manager. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in

data bases, systems, platforms, and/or applications with which the Contractor is working hereunder. All storage and processing of information shall be performed within the borders of the United States.

## **11. Patents, Copyrights, Intellectual Property**

11.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to, or a trade secret of, another, the Contractor shall obtain the necessary permission or license to permit the System to use such item or items.

11.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, service mark, copyright, or trade secret. If a third party claims that a product infringes that party's patent, trademark, service mark, trade secret, or copyright, the Contractor will defend the State against that claim at Contractor's expense and will pay all damages, costs, and attorneys' fees that a court finally awards, provided the System: (a) promptly notifies the Contractor in writing of the claim; and (b) allows Contractor to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in Section 11.3 below.

11.3 If any products furnished by the Contractor become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement, the Contractor shall, after consultation with the System and at the Contractor's own expense: (a) procure for the System the right to continue using the applicable item, (b) replace the produce with a non-fringing product that, in the System's view, substantially complies with the item's specifications, or (c) modify the item so that it becomes non-infringing and, in the System's view, performs in a substantially similar manner to the original item.

## **12. Insurance Requirements.**

The Contractor shall obtain and maintain in full force and effect insurance of the types and amounts specified in this Section 12. The Contractor shall provide prompt written notification should such coverage be canceled or modified, and in any event shall maintain insurance which meets the following minimum standards:

12.1 Commercial General Liability Insurance with limits sufficient to cover losses resulting from, or arising out of, Contractor action or inaction in the performance of the Contract by the Contractor, its agents, servants, employees, or subcontractors, but no less than a Combined Single Limit for Bodily Injury, Property Damage, and Personal and Advertising Injury Liability of \$\_,000,000 per occurrence and \$\_,000,000 aggregate.

12.2 Directors and Officers liability insurance coverage of at least [ ] Million Dollars (\$\_,000,000);

12.3 Errors and Omissions/Professional Liability insurance coverage of at least [ ] Million Dollars (\$\_,000,000);

12.4 The Contractor warrants that it carries adequate workers' compensation and other insurance as required by State and federal law, and shall maintain such insurance at levels acceptable to the System in full force and effect during the term of this Contract. The Contractor agrees to furnish satisfactory evidence of this insurance coverage to the System upon request.

### **13. Ownership of Data**

The System shall own all right, title and interest in its data that is collected in connection with the services rendered under this Contract. [insert if applicable - The Cloud Service Provider shall not access System User accounts, or System Data, except (i) in the course of data center operations, (ii) response to service or technical issues, (iii) as required by the express terms of this Contract, or (iv) at System's written request.]

### **14. Contract Affidavit.**

The Contractor's Contract Affidavit is included as **Exhibit D** of this Contract and is incorporated herein by this reference.

### **15. Conflict of Interest.**

15.1 The Contractor should be aware that the State Ethics Law, State Government Article, §15-508, might limit the selected the Contractor's ability to perform the Services required by this Contract, depending upon specific circumstances.

15.2 The Contractor will provide Services to the System and must do so impartially and without any conflicts of interest. The Contractor's first priority in performing the duties of the Contract shall be the protection of the System's interests. The Contractor will be required to complete a Conflict of Interest Affidavit. A copy of the Conflict of Interest Affidavit/Disclosure is included as **Exhibit E** of this Contract and is incorporated herein by this reference. The Contractor shall provide periodic updates to the Agency and the Contract Manager, providing information such as that required by the Conflict of Interest Affidavit/Disclosure attached as **Exhibit E**, certifying whether an actual or potential conflict of interest exists. The Contractor shall notify the System and the Contract Manager whenever the Contractor provides services to, contracts with, or receives any compensation or remuneration from an organization or company that is involved in a matter related to this Contract. If the Contract Manager makes a determination that facts or circumstances exist that give rise to or could in the future give rise to a conflict of interest within the meaning of the Code of Maryland Regulations ("COMAR") 21.05.08.08A, the System may terminate the Contract in accordance with COMAR 21.05.05.08D.

### **16. Delays and Extensions of Time.**

The Contractor agrees to perform the work under this Contract continuously and diligently and no charges or claims for damages shall be made by it for any delays, interruptions, interferences or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the System in either its sovereign or contractual capacity, acts of another contractor in the performance of a contract with the System, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

### **17. Retention of Records; Inspection of Records.**

The Contractor and subcontractors shall maintain and retain all records and documents relating to the Contract for a period of five (5) years after final payment by the System under the Contract or subcontract hereunder or any applicable statute of limitations, whichever is longer, and shall make the records and documents available for inspection and audit by authorized representatives of the System,

including the Contract Manager or designee, at all reasonable times. If such documentation is maintained on an automated system, appropriate retention, retrieval and back-up policies must be established, implemented and maintained. All records related in any way to the Contract are to be retained for the entire time provided under this section. This Section 17 shall survive expiration or termination of the Contract.

## **18. Compliance with Laws.**

The Contractor hereby represents and warrants that:

18.1 It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;

18.2 It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;

18.3 It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and

18.4 It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

## **19. Cost and Price Certification.**

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of the date of its Proposal.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its Proposal, was inaccurate, incomplete, or not current.

## **20. Subcontracting; Assignment**

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining prior written approval of the System, nor may the Contractor assign this Contract or any of its rights or obligations hereunder without the prior written approval of the System. Any subcontracts shall include such language as may be required in various clauses contained within this Contract, exhibits, and attachments. Notwithstanding any subcontract or assignment permitted hereunder, the Contractor shall always remain liable to the System for the Contractor's obligations hereunder and for all actions of any subcontractor or assignee to the same extent as the Contractor is liable for its own actions hereunder. The System shall not be responsible for the fulfillment of the Contractor's obligations to any subcontractor or assignee.

## **21. Contingent Fee Prohibition.**

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity other than a bona fide employee or agent working for the Contractor to solicit or secure this Contract; and that it has not paid or agreed to pay any person, partnership, corporation, or other entity other than a bona fide employee or agent any fee or other consideration contingent on the making of this Contract.

## **22. Maryland Law.**

This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland. The Maryland Uniform Computer Information Transactions Act (Commercial Law Article, Title 22 of the Annotated Code of Maryland) does not apply to this Contract or any software license acquired hereunder. Any and all references to the Annotated Code of Maryland contained in this Contract shall be construed to refer to such Code sections as from time to time amended.

## **23. Parent Company Guarantee (If Applicable)**

(Corporate name of Contractor's Parent Company) hereby guarantees absolutely the full, prompt, and complete performance by (Contractor) of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations, and liabilities. (Corporate name of Contractor's Parent Company) may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the System may grant, withhold, or qualify in its sole and absolute subjective discretion. (Corporate name of Contractor's Parent Company) further agrees that if the System brings any claim, action, suit or proceeding against (Contractor), (Corporate name of Contractor's Parent Company) may be named as a party, in its capacity as Absolute Guarantor.

## **24. Independent Contractors.**

The parties hereto are and shall remain independent contractors. Nothing herein shall be deemed to establish a partnership, joint venture or agency relationship between the parties. Neither party shall have the right to obligate or bind the other party in any manner to any third party.

## **25. Entire Contract.**

The Contract constitutes the entire agreement of the parties with respect to its subject matter, and supersedes all prior oral and written agreements, proposals and discussions.

## **26. Mandatory Contractual Provisions.**

In the event of a conflict between a provision of the Mandatory Contractual Provisions which are attached hereto as **Exhibit B** and incorporated by reference herein, and any other provision of this Contract, then the provision of the Mandatory Contractual Provisions shall control.

## **27. Procurement Regulations.**

Although this Contract is exempt from certain provisions of Division II of the State Finance and Procurement Article of the Annotated Code of Maryland ("Procurement Article"), the requirements of the Procurement Article and the Code of Maryland Regulations, Title 21, State Procurement Regulations (as amended), will be applied to this Contract to the extent practicable and consistent with obtaining the best services for the System, all as determined in the System's sole discretion. The appeal procedures contained in the Procurement Article and in the State Procurement Regulations will not apply to this Contract.



## **28. Administrative**

28.1 Contract Manager. The work to be accomplished under this Contract shall be performed under the direction of the Deputy Chief Investment Officer as Contract Manager. All matters relating to the interpretation of this Contract shall be referred to the Contract Manager for determination.

28.2 Waiver. No failure or delay on the System's part in exercising any right or remedy hereunder shall operate as a waiver thereof. No waiver by either party of any failure or refusal to comply with an obligation hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply. No modification or waiver shall be effective unless it is in writing and duly executed by the System.

28.3 Notices. All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid, as follows:

If to the System:

Robert Burd  
Deputy Chief Investment Officer  
Maryland State Retirement Agency  
120 East Baltimore Street, 12<sup>th</sup> Floor  
Baltimore, Maryland 21202  
Telephone: 410-625-5571  
email: [rburd@sra.state.md.us](mailto:rburd@sra.state.md.us)

If to the Contractor:

Telephone:  
Email:

## **29. Authority.**

Each party to the Contract represents and warrants to the other that it has the full right, power, and authority to execute this Contract and to perform the acts contemplated hereunder and the person signing this Contract on behalf of each party has been properly authorized and empowered to enter into this Contract.

## **30. Counterparts.**

This Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same document.

## **31. Survival**

Any provision of this Contract which contemplates performance or observance subsequent to any termination or expiration of this Contract shall survive termination or expiration of this Contract and continue in full force and effect.

**THE FOLLOWING PROVISION ARE REQUIRED IF THE PROPOSED SERVICES WILL  
REQUIRE THE USE OF A CLOUD SERVICE PROVIDER**

**32. Data Security Breach**

The Cloud Service Provider shall inform the System of any security breach that jeopardizes the System data or processes. This notice shall be given to the System within 24 hours of its discovery. Full disclosure of the jeopardized data shall be made. In addition, the Cloud Service Provider shall inform the System of the actions it is taking or will take to reduce the risk of further loss to the System.

**33. Data Security Breach Liability**

In the event of any security breach, the Cloud Service Provider shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The System shall recover from the Contractor and/or Cloud Service Provider all costs of response and recovery from the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

**34. Data Storage Locations**

The Cloud Service Provider shall not store or transfer data collected in connection with the services rendered under this Contract outside of the United States. This includes backup data and disaster recovery locations.

**35. Protection of Data**

Protection of confidential data shall be an integral part of the business activities of the Cloud Service Provider to ensure that there is no inappropriate or unauthorized use of System information at any time. To this end, the Cloud Service Provider shall safeguard the confidentiality, integrity, and availability of System information and comply with the following conditions:

a) confidential information obtained by the Cloud Service Provider shall become and remain property of the System.

b) At no time shall any data or processes which either belongs to or are intended for the use of System or its officers, agents, or employees, be copied, disclosed, or retained by the Cloud Service Provider or any party related to the Cloud Service Provider for subsequent use in any transaction that does not include the System.

c) The Cloud Service Provider shall not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.

d) The Cloud Service Provider shall encrypt all non-public data in transit to the cloud during the life of the Contract.

e) For engagements where the Cloud Service Provider stores sensitive confidential information, this data shall be encrypted while at rest or in motion.

**36. Termination of Contract/Subscription**

In the event of termination of the Contract, the Cloud Service Provider shall implement an orderly return of System data in a System-defined format and the subsequent secure disposal of System data.

### **37. Data Recovery**

The Cloud Service Provider shall be responsible for the recovery of System data in the event of a system failure within the Cloud Service Provider.

### **38. Suspension of Services**

During any period of suspension, the Cloud Service Provider shall not take any action to intentionally erase any System data.

### **39. Termination of any services or agreement in entirety**

In the event of termination of any services or agreement in entirety, the Cloud Service Provider shall not take any action to intentionally erase any System data for a period of 180 days after the effective date of the termination. After such 180 day period, the Cloud Service Provider shall have no obligation to maintain or provide any System data and shall thereafter, unless legally prohibited, delete all System data in its systems or otherwise in its possession or under its control.

### **40. Post-Termination Assistance**

The System shall be entitled to any post-termination assistance generally made available with respect to the services.

### **41. Secure Data Disposal**

When requested by the System the provider shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods and certificates of destruction shall be provided to the System.

### **42. Compliance to Contract/Subscription Terms**

The Cloud Service Provider shall allow the System to audit conformance to the Contract/Subscription terms. The System may perform this audit or Contract/Subscription with a third party at its discretion at the System's expense.

### **43. Access to System Logs**

The Cloud Service Provider shall allow the System access to System security logs, latency statistics, etc. that affect this engagement, its data and or processes. This includes the ability for the System to request a report of the records that a specific user accessed over a specified period of time.

### **44. Security Process Disclosure**

The Cloud Service Provider shall disclose its non-proprietary security processes and technical limitations to the System such that adequate protection and flexibility can be attained between the System and the Cloud Service Provider. For example: virus checking and port sniffing – the System and the Cloud Service Provider shall understand each other's roles and responsibilities.

**45. Access to Customer Data**

The Cloud Service Provider shall enforce separation of job duties, require commercially reasonable non-disclosure agreements, and limit staff knowledge of customer data to which is absolutely needed to perform job duties.

**46. Import/Export Data**

The System shall have the ability to import or export data in piecemeal or in entirety at its discretion without interference from the Cloud Service Provider. This includes the ability for the System to import or export data to/from other Cloud Service Providers

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

[ ]

**MARYLAND STATE RETIREMENT AGENCY  
FOR THE BENEFIT OF THE BOARD OF  
TRUSTEES OF THE MARYLAND STATE  
RETIREMENT AND PENSION SYSTEM**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Date \_\_\_\_\_

By: \_\_\_\_\_

R. Dean Kenderdine,

Executive Director

Secretary of the Board

Date \_\_\_\_\_

Approved for form and legal  
sufficiency this \_\_\_\_\_ day  
of \_\_\_\_\_ 2016.

Assistant Attorney General

## **EXHIBITS**

- EXHIBIT A – SCOPE OF WORK**
- EXHIBIT B – MANDATORY CONTRACTUAL PROVISIONS**
- EXHIBIT C – NON-DISCLOSURE AGREEMENT**
- EXHIBIT D – CONTRACT AFFIDAVIT**
- EXHIBIT E – CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE**
- EXHIBIT F – CONTRACTOR’S TECHNICAL AND FINANCIAL PROPOSALS**
- EXHIBIT G – [CLOUD SERVICE PROVIDER’S TERMS OF SERVICE DATED \_\_\_\_]**

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# **INVESTMENTS MANAGEMENT SYSTEM SOFTWARE AND RELATED SERVICES AGREEMENT**

## **EXHIBIT A**

### **SCOPE OF WORK**

**[Note: to be supplied but shall include the following]**

#### **SOC 2 Type II Audit Report.**

The Contractor, and if applicable the Cloud Service Provider, shall have an annual audit performed by an independent audit firm of its handling of the System's critical functions and/or sensitive information. Such audits shall be performed in accordance with audit guidance: Reporting on Controls at a Service Organization Relevant to Security, Availability, Processing Integrity, Confidentiality, or Privacy (SOC 2) as published by the American Institute of Certified Public Accountants (AICPA) and as updated from time to time, or according to the most current audit guidance promulgated by the AICPA or similarly-recognized professional organization, as agreed to by the System, to assess the security of outsourced client functions or data (collectively, the "Guidance") as follows:

- i. The type of audit to be performed in accordance with the Guidance is a SOC 2 Type II Report. The SOC 2 Report shall be completed annually at the following intervals: Report to be submitted three months following the end of the Contract Year for the prior Contract Year.
- ii. The SOC 2 Report shall report on a description of the Contractor's, and if applicable the Cloud Service Provider's, System and the suitability of the design and operating effectiveness of controls of the Information Functions and/or Processes relevant to the following trust principles: Security, Availability, and Confidentiality, as defined in the Guidance.
- iii. The SOC 2 Report shall include work performed by subcontractors that provide essential support to the Cloud Service Provider for the Information Functions and/or Processes for the services provided to the System under the Contract. The Cloud Service shall ensure the performance of the SOC 2 Audits includes its subcontractor(s).
- iv. All SOC 2 Audits, including the SOC 2 Audits of the Contractor's, and if applicable the Cloud Service Provider's, subcontractors, shall be performed at the Contractor's, and if applicable the Cloud Service Provider's, expense.
- v. The Contractor, and if applicable the Cloud Service Provider, shall promptly provide a complete copy of the final SOC 2 Report to the System's Contract Manager upon completion of each SOC 2 Audit engagement.
- vi. The Contractor, and if applicable the Cloud Service Provider, shall provide to the System's Contract Manager, within 30 calendar days of the issuance of the final SOC 2 Report, a documented corrective action plan which addresses each audit finding or exception contained in the SOC 2 Report. The corrective action plan shall identify in detail the remedial action to be taken by the Contractor, and if applicable the Cloud Service Provider, along with the date(s) when each remedial action is to be implemented.

- vii. If the Contractor, and if applicable the Cloud Service Provider, currently has an annual information security assessment performed that includes the operations, systems, and repositories of the Information Functions and/or Processes services being provided by the Contractor, and if applicable the Cloud Service Provider, to the System under the Contract, the System will determine in consultation with appropriate State government technology and audit authorities whether the Contractor's, and if applicable the Cloud Service Provider's, current audits are acceptable in lieu of the SOC 2 Report(s).
- viii. If the Contractor, and if applicable the Cloud Service Provider, fails at any time to obtain an annual SOC 2 Audit during the term of this contract, the System shall have the right to retain an independent audit firm to perform a SOC 2 Audit of the System's data being hosted by the Contractor, and if applicable the Cloud Service Provider. The Contractor, and if applicable the Cloud Service Provider, agrees to allow the independent audit firm to access its facility for purposes of conducting the SOC 2 Audit. The Contractor, and if applicable the Cloud Service Provider, shall cooperate with the System or the System's designated auditor and shall provide the necessary assistance for the System or the System's designated auditor to conduct a SOC 2 Type II audit according to the Guidance. The System will invoice the Cloud Service Provider for the expense of the SOC 2 Audit.



**INVESTMENTS MANAGEMENT SYSTEM SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT B**

**MANDATORY CONTRACTUAL PROVISIONS**

Pursuant to the Annotated Code of Maryland, State Finance and Procurement Art. §11-203(d), the Board of Trustees of the Maryland State Retirement and Pension System is exempt from the applicability of the State's procurement laws for certain expenditures to manage, maintain and enhance the value of the retirement system. Although the procurement of the services to be rendered by [ ] (the "Contractor") pursuant to the attached Investments Management Software and Related Services Contract (the "Contract") is, as a general matter, exempt from the procurement laws, under State law the following provisions of Maryland law must be included in any contract.

In view of the foregoing, the parties agree that the following provisions are hereby included in the Contract:

**ARTICLE I - NONDISCRIMINATION IN EMPLOYMENT**

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or physical or mental disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

**ARTICLE II - FINANCIAL DISCLOSURE**

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article, Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

**ARTICLE III - POLITICAL CONTRIBUTION DISCLOSURE**

The Contractor shall comply with the provisions of Election Law Article, Title 14 of the Annotated Code of Maryland, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall, file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name

of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, municipal corporation or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) February 5, to cover the six (6) month period ending January 31; and (ii) August 5, to cover the six (6) month period ending July 31. Additional information is available on the State Board of Elections website: [http://www.elections.state.md.us/campaign\\_finance/index.html](http://www.elections.state.md.us/campaign_finance/index.html).

#### **ARTICLE IV - NON-HIRING OF OFFICIALS AND EMPLOYEES**

The Contractor shall comply with the provisions of the Annotated Code of Maryland, State Government Article, Section 15-102, which provides that no official or employee of the State of Maryland, as defined therein, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is subcontractor on this Contract.

#### **ARTICLE V - BRIBERY**

Neither the Contractor nor any officer, director or partner of the Contractor nor any employee of the Contractor directly involved in obtaining contracts with the State of Maryland, or any county or other sub-division of the State of Maryland, has been convicted of bribery, attempted bribery or conspiracy to bribe, nor has engaged in conduct, or by any acts or omissions, made admissions in writing or under oath during the course of an official investigation or other proceeding, since July 1, 1977, which would constitute an offense or offenses of bribery, attempted bribery, or conspiracy to bribe under the laws of any state or the federal government except as herein expressly stated:

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(If none, so state)

As used herein, the word "convicted" includes an accepted plea of nolo contendere.

**INVESTMENTS MANAGEMENT SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT C**

**NON-DISCLOSURE AGREEMENT**

THIS NON-DISCLOSURE AGREEMENT (“Agreement”) is made by and between the State of Maryland (the “State”), acting by and through Maryland State Retirement Agency for the use of the Board of Trustees for the Maryland State Retirement And Pension System (the “System”), and [\_\_\_\_\_] (the “Contractor”).

**RECITALS**

**WHEREAS**, the Contractor has been awarded a contract (the “Contract”) following the solicitation for Investments Management Software and Related Services; and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and subcontractors (collectively the “Contractor’s Personnel”) with access to certain information the State deems confidential information (the “Confidential Information”).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the solicitation and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Confidential Information means any and all information provided by or made available by the State to the Contractor in connection with the Contract, regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information provided by the State except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as EXHIBIT F-1. Contractor shall update EXHIBIT F-1 by adding additional names (whether Contractor’s personnel or a subcontractor’s personnel) as needed, from time to time.

3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor's performance of the Contract or who will otherwise have a role in performing any aspect of the Contract, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.
4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).
6. Contractor shall, at its own expense, return to the System all copies of the Confidential Information in its care, custody, control or possession upon request of the System or on termination of the Contract.
7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.
9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this

Agreement, in no event less restrictive than as set forth in this Agreement, and the Contractor shall provide originals of such executed Agreements to the State.

10. The parties further agree that:

- a. This Agreement shall be governed by the laws of the State of Maryland;
- b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
- c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
- d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
- e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures;
- f. The Recitals are not merely prefatory but are an integral part hereof; and
- g. The effective date of this Agreement shall be the same as the effective date of the Contract entered into by the parties.

**IN WITNESS WHEREOF**, the parties have, by their duly authorized representatives, executed this Agreement as of the day and year first above written.

Contractor:

MARYLAND STATE RETIREMENT  
AGENCY FOR THE USE OF THE BOARD  
OF TRUSTEES FOR THE MARYLAND  
STATE RETIREMENT AND PENSION  
SYSTEM

By:

\_\_\_\_\_(SEAL)

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Title: \_\_\_\_\_

Date:

\_\_\_\_\_

Date: \_\_\_\_\_

**INVESTMENTS MANAGEMENT SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT D**

**CONTRACT AFFIDAVIT**

**A. AUTHORITY**

I HEREBY AFFIRM THAT:

I, \_\_\_\_\_ (print name), possess the legal authority to make this Affidavit.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE  
DEPARTMENT OF ASSESSMENTS AND TAXATION**

I FURTHER AFFIRM THAT:

The business named above is a (check applicable box):

- (1) Corporation — ☐ domestic or ☐ foreign;
- (2) Limited Liability Company — ☐ domestic or ☐ foreign;
- (3) Partnership — ☐ domestic or ☐ foreign;
- (4) Statutory Trust — ☐ domestic or ☐ foreign;
- (5) ☐ Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

*Name and Department ID*

*Number:* \_\_\_\_\_ *Address:* \_\_\_\_\_

*and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:*

*Name and Department ID Number:* \_\_\_\_\_

*Address:* \_\_\_\_\_.

**C. FINANCIAL DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

**D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION**

**I FURTHER AFFIRM THAT:**

I am aware of, and the above business will comply with, Election Law Article, §§14-101 — 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

**E. DRUG AND ALCOHOL FREE WORKPLACE**

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

**I CERTIFY THAT:**

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- (i) The dangers of drug and alcohol abuse in the workplace;
- (ii) The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

- (i) Take appropriate personnel action against an employee, up to and including termination; or
- (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.



(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

#### F. CERTAIN AFFIRMATIONS VALID

##### I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated \_\_\_\_\_, 20\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

**INVESTMENTS MANAGEMENT SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT E**

**CONFLICT OF INTEREST AFFIDAVIT/DISCLOSURE**

- A. "Conflict of Interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.
- B. "Person" has the meaning stated in COMAR 21.01.02.01B (64) and includes a bidder, Offeror, Contractor, consultant, or subcontractor or sub consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a bid or offer is made.
- C. The bidder or Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.
- D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail—attach additional sheets if necessary).

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- E. The bidder or Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the bidder or Offeror shall immediately make a full disclosure in writing to the Procurement Officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the bidder or Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Contractor shall continue performance until notified by the Procurement Officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Representative and Affiant)

**INVESTMENTS MANAGEMENT SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT F**

**CONTRACTOR'S TECHNICAL AND FINANCIAL PROPOSALS DATED**

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**INVESTMENTS MANAGEMENT SOFTWARE  
AND RELATED SERVICES AGREEMENT**

**EXHIBIT G**

**INSERT IF APPLICABLE THE CLOUD SERVICE PROVIDER'S TERMS OF  
SERVICE DATED \_\_\_\_\_**